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## Tax Law Update



### Small Business Relief\*

Businesses that employ fewer than 50 full-time employees have been granted a reprieve through June 30, 2015 of the excise tax of \$100 per day per employee for employer health insurance plans that do not comply with the Affordable Care Act. This is intended to give small employers additional time to find health insurance coverage that does comply.

The work opportunity tax credit (WOTC) received for hiring certain people such as veterans expired on Dec. 31, 2013, was then extended later in 2014 but by then the time limit to file a request (Form 8850) for the tax credit, which was usually 28 days from date of hire, had already passed for some employers. So the IRS is giving all employers who hired a WOTC-eligible person in 2014 until April 30, 2015 to file Form 8850.

A new procedure makes it easier for small business owners to comply with the “final tangible property regulations” by allowing their preparers to change a method of accounting, and by waiving a requirement to complete and file Form 3115.

<http://www.irs.gov/pub/irs-drop/rp-15-20.pdf><sup>[1]</sup>

Keep an eye on the bill, **H.R. 636**, which would permanently extend and expand the current expensing provisions for small businesses, and offer tax breaks for S-corporations. The White House opposes it without the costs being offset, which they claim would add \$79 billion to the deficit over the next decade.

\*All relief measures have eligibility requirements not covered here. Be sure to confer with a tax professional.

### By the Numbers

\$1.2 billion – The IRS’s budget has been cut by this amount since 2010. These reductions are being blamed, or credited

depending on your viewpoint, for the decreased number of 2013 tax audits – the lowest level in a decade, with a deeper drop expected this year.

50% - As estimated by the IRS, half of the people who call for assistance this tax season won't be able to get through to a person. The agency recommends using IRS.gov tools for faster answers.

56% - Of respondents to a recent Associated Press-GfK poll support President Obama's proposal to raise capital gains taxes on households making more than \$500,000

## Comments

No one has commented yet. Be the first!

1. <http://www.irs.gov/pub/irs-drop/rp-15-20.pdf>